



Los Angeles County AUDIT COMMITTEE

Gerardo Pinedo, Chair
2nd District
Carl Gallucci, Vice-Chair
4th District
Louisa Ollague
1st District
Genie Chough
3rd District
Lori Glasgow
5th District

MINUTES
OCTOBER 16, 2008

Chair Gerardo Pinedo called the meeting to order at 10:45 a.m. in Conference Room 525, Kenneth Hahn Hall of Administration.

Committee Members Present

Gerardo Pinedo, Second District
Louisa Ollague, First District
Genie Chough, Third District

Excused Absence

Carl Gallucci, Fourth District
Lori Glasgow, Fifth District

Others in Attendance

Jim Schneiderman, Auditor-Controller
Don Chadwick, Auditor-Controller
Agripino Alonso, Auditor-Controller
Yoon Bae, Auditor-Controller
Vincent Amerson, Chief Executive Office
Lee Millen, Board of Supervisors
Amanda Drukker, County Counsel
Jackee Lynn Sakane, Department of Community and Senior Services
Herberto Sanchez, Department of Community and Senior Services

APPROVAL OF AUGUST 21, 2008 MINUTES

On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the minutes of August 21, 2008, were approved as submitted.

OLD BUSINESS

Fiscal Review of the Sherman Group, Incorporated – A Group Home Foster Care Contractor (03/25/08): Jim Schneiderman reported that the Department of Children and Family Services did not submit a Corrective Action Plan, so at this time there is no resolution regarding this matter.

On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.

Fiscal Review of Bourne, Incorporated – A Group Home Foster Care Contractor (05/22/08): Don Chadwick recalled Jim Schneiderman's report from the previous meeting that the first check the agency wrote for \$800 bounced, and that the Department Heads did not respond to the Auditor-Controller's calls for follow-up. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Jim Schneiderman proposed that a follow-up response from the Department may be expedited more promptly if the request came from the Audit Committee rather than the Auditor-Controller. A motion was made to instruct the Departments to respond to the Audit Committee instead of the Auditor-Controller. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved notifying the Departments to submit response correspondence to the Audit Committee instead of the Auditor-Controller.**

H.S. Consortium of the East San Gabriel Valley Contract (dba) LA Works – A Community and Senior Services Workforce Investment Act Program Provider (06/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

Antelope Valley Hope Foundation Contract Review – A Department of Public Health HIV/AIDS Preventive Care Service Provider (07/24/08): Don Chadwick said there is no current contract with them. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

Cedars-Sinai Medical Center Contract Review – A Department of Mental Health Service Provider (07/25/08): 250 County and Department of Mental Health contractors attended training last July and August on how contractors can better comply with their County contracts. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

Wings of Refuge Foster Family Agency Contract Review – A Department of Children and Family Services Provider (08/04/08): The home was decertified, but in August they provided DCFS with documentation showing all of the problems were corrected and was taken off the decertification. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

Streetlights Contract Review – A Community and Senior Services Workforce Investment Act Program Provider (08/04/08): Streetlights doesn't have a contract with the County at the present time. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

REPORTS TO BE RECEIVED AND FILED

Board Policy Sunset Review No. 3.090 – County Aircraft Policy (09/17/07): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Board Policy Sunset Review No. 5.045 – Sheriff's Department Law Enforcement Services Contracts Review Policy (07/17/08): Genie Chough requested the item be held so it could be discussed with her Justice Deputy. Jim Schneiderman replied that it was discussed with the Justice Deputies and they approved the changes to the policy. **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Board Policy Sunset Review – Policy No. 5.055 (07/17/08): Amanda Drukker, County Counsel, and Vincent Amerson, Chief Executive Office, advised the Committee of some minor changes that were proposed for Board Policy No. 5.055, in particular the removal of the 4th bullet from point 2 because it's now settled law. Louisa Ollague asked about the policy regarding the shredding of documents, and how it will be reflected in contracts. Vincent Amerson stated the policy doesn't address discarding scoring sheets; it's an internal policy for the Departments to decide. Chair Pinedo recommended the matter to be held until the following meeting with representatives from ISD to be invited to clarify the County's policy on discarding individual documents. **Following discussion, on motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Board Policy Review – 5.015: Timely Submission of Contracts for Board Approval (08/01/08): Amanda Drukker, County Counsel, advised the Committee of several non-substantive revisions that clarified several points. Chair Pinedo commented that a Board Letter will not be necessary for this item. **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee received and filed this report.**

Catholic Charities of Los Angeles, Inc. Contract Review – A Community and Senior Services Workforce Investment Act Program Provider (08/18/08):
On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.

Fiscal Monitoring of Department of Mental Health Contract Service Providers for Fiscal Years 2004-05 and 2005-06 (08/20/08):
On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.

Department of Children and Family Services – Review of Employee Vehicle Damage Reimbursements (08/20/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting pending a report from DCFS.**

Board Policy Sunset Review – Telecommute/Telework Policy (Policy No. 9.090) (08/26/08):
On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.

Auditor-Controller's Response to LA Works' July 21, 2008 Letter to the Board of Supervisors – Workforce Investment Act (WIA) Contract (08/29/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

West San Gabriel Valley Consortium dba Career Partners - El Monte Contract Review – A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-08 (09/04/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Childrens Hospital Los Angeles Contract Review – A Department of Mental Health Service Provider (09/04/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Investigation of the Personnel Review of Martin Luther King, Jr. – Harbor Hospital Employees – Case #2008-2726 (09/08/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Jewish Vocational Service Contract Review - A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-2008 (09/09/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Group Home Program Monitoring Report – Alannah Foster Family Agency and Homes – Rainbow Ridge and Val Vista Group Homes (09/10/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Antelope Valley Workforce Development Consortium Contract Review – A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-08 (09/10/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Career Planning Center, Inc. Contract Review - A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-08 (09/10/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Arbor Education & Training, LLC East Los Angeles Employment and Business Letter Contract Review - A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-08 (09/10/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

People Assisting The Homeless Contract Review – A Department of Public Health HIV/AIDS Care Services Provider (09/10/08): Louisa Ollague asked what are the roles of DCFS auditors in comparison to Auditor-Controllers auditors? Shouldn't the Children's Social Worker (CSW) report problems with a Group Home before the Auditor-Controller reports them? Don Chadwick suggested a Quarterly Status Report of Audit Recommendations comparable to the report DCFS releases. **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Group Home Monitoring Report - A-W Friendship Homes, Inc. – Zenith Youth Homes 1,2 and 3 (09/10/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Rosemary Children's Services Contract Review – A Department of Children and Family Services Foster Family Services Foster Family Agency Service Provider (09/11/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – United Care, Incorporated – House One, House Two and House Three Group Homes (09/11/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Childs' Homes for Children, Incorporated – Childs' Homes for Children group Home (09/11/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Perfect Image Youth Center Group Home (09/11/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Proposition A Contract – Chief Executive Office Workers' Compensation Claims Third – Party Administrator (Board Agenda September 16, 2008, Item 17) (09/11/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Review of the County Treasury Statement of Net Assets for the Quarters Ended September 30, 2007 and December 31, 2007 (09/18/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Fiscal Review of Hudson Lyndsey Foster Family Agency (aka Psych Med, Incorporated) - A Foster Care Contractor (09/18/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Fraud Hotline Status Report – October 1, 2007 through June 30, 2007 (09/19/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Group Home Program Monitoring Report – Dimondale Adolescent Care Facility – Site One – Carson, Site Two – Lancaster, Site Three – Hawthorne, Site Four – Long Beach Group Homes (09/19/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Status Report – Review of County Counsel Litigation Cost Management (Board Agenda Item 18, March 27, 2007) (09/24/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Audit of the Los Angeles County Treasury and Review of the Treasury Oversight Committee's Compliance with Government Code Requirements for the Year Ended June 30, 2007 (09/24/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Group Home Program Monitoring Report – Kids First Foundation – Mid Valley Youth Center Group Home (09/25/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

The Community College Foundation Contract Review – A Community and Senior Services Workforce Investment Act Program Provider – Fiscal Year 2007-08 (09/25/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Annual Reporting Requirements for Foundations and Support Groups (09/30/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Treasurer's Cash Count As Of the Close of Business on August 6, 2008 (09/30/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Special Service for Groups, Inc. Contract Review - A Department of Public Health HIV/AIDS Preventive Care Service Provider (09/30/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Foster Family Network Contract Review – A Department of Children and Family Services Foster Family Agency Service Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Alliance Human Services Foster Family Agency Contract Review - A Department of Children and Family Services Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Families for Children Foster Homes, Inc. Foster Family Agency Contract Review - A Department of Children and Family Services Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Institute for Black Parenting Foster Homes, Inc. Foster Family Agency Contract Review - A Department of Children and Family Services Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Olive Crest Foster Family Agency Contract Review - A Department of Children and Family Services Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Phoenix House, Incorporated – Phoenix Academy Lakeview Terrace Group Home (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Pennacle Foundation Incorporated – Carson Street Boys, Coming Avenue Girls and Little Wings Girls Group Homes (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Five Acres, Incorporated – Main Campus, East Mountain, Monte Vista and Solita Group Homes (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Southern California Foster Family and Adoption Agency Contract Review - A Department of Children and Family Services Foster Family Agency Service Provider (10/01/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Aspiranet Contract Review - A Department of Children and Family Services Foster Family Agency Provider (10/01/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Aviva Family and Children's Services Contract Review - A Department of Children and Family Services Foster Family Agency Service Provider (09/30/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Starshine Treatment Centers, Incorporated – Buckeye, Garden, Lynwood, and 40th Street Group Homes (10/02/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Summerplace Incorporated – Summerplace Group Home (10/02/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – T&T Home For Boys Group Home (10/02/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Rolling Hills Group Home (10/02/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – O’Conner and Atkins Group Home (10/03/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – New Outlook Boys Home (10/03/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Group Home Program Monitoring Report – Gay & Lesbian Adolescent Social Services, Incorporated – Charles Pierce Youth Home, Herbert Benton Youth Home, Long Beach Youth Transitional Housing Group Home, Norris Rocaberte Family Home, Stephen Gabin Youth Home, Summers Licata Youth Home and Wilton Group Home (10/03/08): **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

Department of Health Services Harris-Rodde Settlements – Average Length of Stay and Emergency Department Boarding Time Review for Quarters Ended September 30, 2007, and December 31, 2007 (10/03/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Southeast Asia Social Services Funding Authority Contract - A Community and Senior Services Workforce Investment Act Program Provider (10/06/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Foothill Unity Center, Inc. – A Department of Public Social Services Community Services Block Grant Program Provider (10/07/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

Community Family Guidance Center Contract Review - A Department of Mental Health Service Provider (10/07/08): **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received and filed this report.**

PUBLIC COMMENT

There was none.

OTHER BUSINESS (Continued)

CSS Quarterly Review: Jackie Lynn Sakane, Program Manager, Community and Senior Services, distributed Summary Charts showing costs for Fiscal Years 2005-2008 for three programs provided to the Department of Community and Senior Services: the Workforce Investment Act Service Program, the Domestic Violence Program, and the Area Agency on Aging Program.

The chart showed the amounts to be collected and/or resolved the most for Fiscal Year 2006-07. Ms. Sakane said her Department will meet with the Urban League later in the afternoon to resolve questioned costs. A new report will be issued next February. **On motion of Genie Chough, seconded by Louisa Ollague and unanimously carried, the Committee received**

and filed this report. Chair Pinedo abstained on the vote due to his previous appointment to Hub Cities Board of Directors.

DCFS/A-C Joint Monitoring Pilot Project Status: **On motion of Louisa Ollague, seconded by Genie Chough and unanimously carried, the Committee approved continuing this item to its November 20, 2008, Audit Committee meeting.**

MATTERS NOT ON THE POSTED AGENDA (TO BE PRESENTED AND PLACED ON THE AGENDA OF A FUTURE MEETING)

There were none.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 11:30 a.m.